DEPARTMENT OF THE AIR FORCE HEADQUARTERS UNITED STATES AIR FORCE WASHINGTON 25, D.C.

OSA-4242-65 #1705

REPLY TO:

Audit Liaison Office P. O. Box 8155

S. W. Station Washington, D. C.

26 October 1965

SUBJECT: Shop Labor Rates Under Certain T & M Contracts

Lockheed Aircraft Corporation

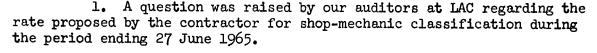
Burbank, California

ATTN OF

SUBJECT

TO:

Period: 28 December 1964 to 27 June 1965



- 2. During a recent visit by the undersigned to the contractor's plant, a review was made of the actual labor costs incurred under the T & M contracts in question and it was found that the actuals were in excess of the rates proposed by the contractor.
- 3. During a discussion with the contractor and our local auditor, it was agreed that the contractor's proposed rate in the shopmechanic classification would be recommended for acceptance. Therefore it is requested that a copy of this memorandum be appended to each of the audit reports wherein the aforesaid rates were questioned to indicate that they are now considered acceptable. This applies to the following:

Date	Audit Report No.	Contract No.
5 Oct. 5 Oct. 5 Oct.	4036 3805 3803 3086	FT-21 CON 200 SP 1923 JET 250
5 Oct.	3801	SP 1922

William J. Edwards

WILLIAM F. EDWARDS

Auditor General Representative (APL)

[JSAF review completed]